

Minutes of the Redevelopment Agency of Murray City held Tuesday, April 13, 2004 at 4:30 p.m. at the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

Present:	Pat Griffiths, Chair	Dan Snarr, Mayor
	Krista Dunn	Keith Snarr, Redevelopment Director
	Robert Robertson	Frank Nakamura, City Attorney
	Jim Brass	Doug Hill, Public Services Director
	Jeff Dredge	Shannon Jacobs, Council Director
		Don Whetzel, Finance Director
		Alice Steiner, Consultant
		Scott Baker
		Chad Liljenquist
		John Liljenquist

Pat Griffiths called the meeting to order at 4:00 p.m.

1. Consider adoption of a Resolution designating a redevelopment survey area known as the "Fireclay Survey Area" (from 4500 South to north city limits between Union Pacific Railroad and State Street), and initiate a study of the survey area to determine if a blight study is required in the event of redevelopment and/or a benefit analysis in the event of economic development.

Alice Steiner stated that she has driven through this area and is familiar with the area. She commented that the process is to have a blight survey, and find blight and put a plan together. She felt that the Fireclay area should be a fairly straight forward area, but there may be some owners that will want to come in and talk to the city and will get involved with the process.

Ms. Steiner stated the other two areas (Fashion Place & College Park) may have owners questioning the process. She stated that the approach for the "Fashion Place North Survey Area" and "College Park Area" may need to be approached in a different way. She indicated that a survey area does not have to be limited to 100 acres and suggested making the survey area the real area the RDA is interested in. She stated that the Board may want to seriously consider having a planning process under way and when the Blight Hearing is held it could be combined with the Input Hearing. She stated the Input Hearing invites the owners to attend and inquire regarding the future plans of the property owners. This would be an open discussion meeting that would allow the property owners and city officials to discuss the issues in regards to blight or a potential project. This will take some time and some effort and would require consultants to develop traffic plans, etc. She stated that single family owners become very attached to their properties and should be dealt with sensitively and that there could be hurdles involved with a project.

Pat Griffiths asked Ms. Steiner her opinion on the proposed projects. Ms. Steiner responded that all the projects have little pieces of problems that need to be solved, but all the projects are potentially good projects. She stated the Fireclay project could be a project that could happen soon, whereas the Fashion Place and College Park projects could take a couple of years.

Pat Griffiths asked about the process for adoption of the study or projects. Ms. Steiner responded that the advantage of adopting a resolution is that the area must be defined and there are various ways to adopt the resolution. She stated if the blight survey is adopted, the area will have been defined and emphasis placed. She stated that the North Fashion Place

project should probably have input from Cottonwood Hospital.

Pat Griffiths expressed concern with the proposal of three potential projects and the magnitude of the three projects.

Krista Dunn indicated that she felt comfortable with the study and laying out the boundaries of the areas through the resolution, but that she would be uncomfortable with attempting to move forward as fast as possible. She stated that the Board can determine how fast or slow the projects move. She suggested adopting all three resolutions with the priority being on the Fireclay project, but that they are desirous to have some limited time and energy put into the other two projects.

Jeff Dredge indicated the constraints of time and budget will come into play with the three projects. He agreed with adopting the resolutions and to start the process with the understanding that the process may take a couple of years.

Krista Dunn expressed concern that if a project is adopted rapidly, the residents may feel that they were not given ample time and opportunity to voice their opinions and resolve their concerns. She stated that the Board must ensure that the residents have ample time and opportunity to participate in the process. Jim Brass concurred.

Alice Steiner commented that within one year of adopting the survey area resolution, the blight study must be completed. If the blight study is not completed within one year, the resolution must be re-adopted.

Jim Brass commented that the Fireclay project is probably the best area to have a redevelopment project, but all three areas have potential.

Dan Snarr stated that flexibility is critical in this process because windows of opportunity are usually short and having an RDA in place makes it more desirable for developers. He stated that property values are going up and there are a lot of current businesses that want to expand who are not asking for RDA funds. He stated that the RDA could be used in helping cover the gap between what it costs to acquire the property and the dollars made from the potential leases on the property. Mrs. Dunn indicated that if the resolution is adopted, it would allow the Board the flexibility to move forward. She stated that just because it would benefit a developer or homeowner, doesn't necessarily mean that the Board must move forward in a rapid manner.

Pat Griffiths asked about the process for the project area. Keith Snarr responded that the City's Economic Development Advisory Board had discussed the areas of concern. They have outlined the process, and have spoken with many individuals in these areas to get them involved in this process. He stated that members of the Economic Development Advisory Board are citizen volunteers who are interested in the economic growth of the city. They can be used as a buffer to assist in this process.

Jeff Dredge asked if there is a standardized message or information that is being distributed in regards to the potential projects to ensure that the same information is given out. Keith Snarr

responded that such materials would be developed and provided to any interested party.

Keith Snarr stated that each of the consultants are willing to meet with the residents and property owners to answer questions and resolve concerns. The consultants will bring their wisdom and experience to the table. The consultants cannot help in this process until the study area resolution has been adopted. He stated that the study area boundaries may be amended if deemed necessary. He stated that the Fireclay project could probably proceed more quickly because it is mostly industrial property; whereas, the other two proposed study areas involve residential property.

Krista Dunn suggested that if the Resolutions are adopted, that the Board would need to meet more often, at least once a month, and on a regular basis. Also, the Board must be aware of every step along the way.

Pat Griffiths commented that she recognized the members of the Economic Development Advisory Board and their expertise, but emphasized that this board is an "advisory" board to the RDA and City Council.

Jeff Dredge asked how this process has been funded thus far. Keith Snarr responded that the RDA budget has a budget line item for professional services that has been set aside for this type of situation. He stated that money would be designated as a loan to the potential project areas until the project areas have been established. If the area is not funded then it becomes a grant (or the loan is written off).

Krista Dunn asked if a certain amount of money has been set aside for this process or is there a dollar limit. Don Whetzel responded that there is a line item for professional services and office supplies that may be used to get a project under way.

Krista Dunn asked about the anticipated costs for a study to be conducted for each area. Keith Snarr responded that originally he anticipated the cost for a blight study to be between \$5,000-\$10,000 and he has had one bid for \$8,700 and another bid for \$10,000.

Jim Brass commented that he liked the approach to have a single individual contact the property owners and have a single approach, i.e. Alice Steiner, in order to keep the information discussed consistent rather than having numerous approaches. Mrs. Griffiths concurred. She commented that she did not feel inclined initially to bring numerous consultants on board and felt that dealing with one consultant may keep things more consistent and easier to manage. Keith Snarr indicated that by using one consultant it could possibly drag the process out.

Jeff Dredge asked the process following the study. Keith Snarr responded that typically the blight survey or input hearing is conducted first. A multi-year project area budget is then prepared for consideration and approval by the Taxing Agency Committee. Then a public hearing is held for adoption of the RDA Plan and Budget. Following adoption of the plan, property ownership participation is requested and a developer selected. He stated there is a written contract between the RDA Board and the developer termed an "owner participation agreement".

Jeff Dredge clarified that by authorizing a blight survey to be conducted does not bind the Board in any way to a project. Keith Snarr concurred.

The question was asked if once the blight survey is done, and blight is found, could someone file suit against that survey and stop the process. Alice Steiner responded that persons have 30 days to file suit after the blight survey. If a suit is filed, the courts will review the findings and determine if it is arbitrary or factual. She stated that if more than 40% of the property owners object in writing to create a new project area, it would have to be taken to a vote of the entire City at election time. If two-thirds or more object in writing in the project area, the project cannot be done.

Pat Griffiths asked if it is practical at this time to consider if the blight study should be pursued. Alice Steiner responded that the Fireclay project is pretty obvious that there is blight. The other two areas have pockets with areas of blight and pockets in question. She stated the Board would need to determine the best way to handle the pockets in questions and issues. She stated that one way to handle those would be by using redevelopment powers, another way could be through the public works department, or to do an economic development project area where blight is not found.

Alice Steiner told the Board that before you get too far into the blight survey, you probably will want to have a planning process under way and get property owners involved the process and seeking solutions. This will take some time and effort and may require some consultant help to lay out some plans for the area.

Jim Brass commented that he is desirous to move forward with the survey, but there are areas that will need to be handled delicately. He stated a blight survey will probably wake people up and there will be much response from the blight survey, and that is not necessarily a bad thing. He stated that it may be determined that the areas in question may not work out.

Krista Dunn expressed concern about RDA legislation that was recently proposed by Sandy City and how that may affect these potential projects. Alice Steiner said the major effect it would have is that as proposed it would let cities decide when they would use tax increment rather than having to follow the process as now prescribed by the legislature.

There was a brief discussion concerning Bonneville Research indicating that this firm had represented the Rouse Company a few years ago when the City was discussing an RDA for expansion of Fashion Place Mall. Keith Snarr stated that he had previously worked with Bonneville Research and that they had done a good job. City Attorney, Frank Nakamura, said he just wanted to make the Board aware of that connection.

Krista Dunn expressed concern whether the Board is ready to start a blight survey on the Fashion Place and College park areas. She stated she would like to see a lot of input hearings occur and a lot of Board reviewing information prior to having a blight study done. She indicated she was in favor of moving forward with a blight study for the Fireclay area.

There was a discussion in regards to having the blight study conducted first or having public

hearings and input prior to a blight study.

Jim Brass asked if public meetings could be held prior to sending out blight notices and felt this may be a better approach and would have less impact on the residents. Alice Steiner responded that public meetings may be held prior to conclusion of the blight study.

Pat Griffiths commented that residents are very protective of their homes and are offended if the very idea of blight is suggested. She commented that this situation must be handled delicately.

Krista Dunn commented that the consultants for the Fashion Place and College Park study areas should be aware that it may be awhile before the study is conducted.

Pat Griffiths asked if there is a specific reason for selecting Richard Chong and Associates for the blight survey of the Fireclay area. Keith Snarr responded that any of the suggested three consultants are very capable and have done numerous projects. He commented that through his interview process he felt they would be best suited for this project. Mr. Snarr indicated that the costs will be the same whether one consultant is used for all three projects or if three consultants are used for the three projects and will be about \$10,000 per survey. He stated that there could be a bid process and interview process with the consultants if the Board so desired.

Mayor Snarr commented that Mr. Chong has done much work in Taylorsville City and felt that his work has been admirable and felt comfortable with his performance.

Jeff Dredge asked when the word is out that an area is potentially to be a redevelopment area, do developers come flocking and how does the timing fall into play as far as engaging with developers. Alice Steiner responded that the Board is involved with each step and can be a very difficult process, but the Board can control the speed of the process. Once the project has been established, the developers will appreciate the fact that the blight survey process is done.

Krista Dunn made a motion to adopt the Resolution designating a redevelopment survey for the area known as the "Fireclay Survey Area" and initiate a study of the survey area to determine if a blight study is required in the event of redevelopment and/or a benefit analysis in the event of economic development. Seconded by Jim Brass.

5 Ayes
0 Nays

2. Consider adoption of a Resolution designating a redevelopment survey area known as the "Fashion Place North Survey Area" (approximately 5900-6100 South between Fashion Boulevard (300 East) and Main Street—including certain State Street frontage properties from 5770 South to 6150 South), and initiate a study of the survey area to determine if a blight study is required in the event of redevelopment and/or a benefit analysis in the event of economic development.

Krista Dunn made a motion to adopt a resolution designating a redevelopment survey area know as the "Fashion Place North Survey Area" and initiate a study of the survey area to

determine if a blight study is required in the event of redevelopment and/or a benefit analysis in the event of economic development. Seconded by Jeff Dredge.

5 Ayes
0 Nays

3. Consider adoption of a Resolution designating a redevelopment survey area know as the "College Park Area" (from approximately 4900 South (Salt Lake Valley College) to 5400 South (University of Phoenix), west of I-15 freeway to Murray Boulevard (700 West), and initiate a study of the survey area to determine if a blight study is required in the event of redevelopment and/or a benefit analysis in the event of economic development.

Jim Brass made a motion to adopt a Resolution designating a redevelopment survey area known as the "College Park Area" and initiate a study of the survey area to determine if a blight study is required in the event of redevelopment and/or a benefit analysis in the event of economic development. Seconded by Robbie Robertson.

5 Ayes
0 Nays

4. Consider Professional Services Contract with Jody K. Burnett, Williams & Hunt, for consultation on redevelopment matters including legal representation.

Jim Brass made a motion to contract with Jody K. Burnett, Williams & Hunt, for consultation on redevelopment matters including matters including legal representation. Seconded by Jeff Dredge.

5 Ayes
0 Nays

5. Consider extending Professional Services Contract with Alice Larkin Steiner to provide redevelopment project oversight and property owner participation.

Jeff Dredge made a motion to extend the professional services contract with Alice Larkin Steiner to provide redevelopment project oversight and property owner participation. Seconded by Jim Brass.

5 Ayes
0 Nays

6. Consider extending Professional Services Contract with Jonnalyne Walker to provide Redevelopment Agency project area budgets and taxing agency coordination.

Krista Dunn made a motion to extend the professional services contract with Jonnalyne Walker to provide Redevelopment Agency project area budgets and taxing agency coordination. Seconded by Robbie Robertson.

5 Ayes
0 Nays

7. Consider Professional Services proposal and agreement with Richard D. Chong and Associates to provide a redevelopment Blight Survey study of the Fireclay Survey Area and/or a benefit analysis in the event of economic development.

Jeff Dredge asked if the city engages one firm to do all three studies, would the total contract amount go beyond what Mr. Snarr can authorize without going through an RFP process? Mr. Dredge expressed concern with using three different consultants and having three different approaches taken for the projects and whether it would be wise to use one consultant so as to keep some consistency. Keith Snarr responded that he would need to discuss with the consultants whether they would be able to do all three projects simultaneously and are desirous to do so. He indicated that all three consultants are proficient and capable to doing any of the three projects.

Jeff Dredge made a motion to consider professional services proposal and agreement with Richard Chong and Associates to provide a redevelopment Blight Survey study of the Fireclay Survey Area and /or a benefit analysis in the event of economic development. Seconded by Robbie Robertson.

5 Ayes
0 Nays

8. Consider Professional Services proposal and agreement with Wikstrom Economic and Planning Consultants to provide a redevelopment Blight Survey study of the Fashion Place North Survey Area and/or a benefit analysis in the event of economic development.

Jeff Dredge made a motion to consider professional proposal and agreement with Wikstrom Economic and Planning Consultants to provide a redevelopment Blight Survey study of the Fashion Place North Survey Area and/or a benefit analysis in the event of economic development. Seconded by Jim Brass.

5 Ayes
0 Nays

9. Consider Professional Services proposal and agreement with Bonneville Research to provide a redevelopment Blight Survey study of the College Park Area and/or a benefit analysis in the event of economic development.

Krista Dunn made a motion that Bonneville Research not be considered and that either Richard Chong & Associates or Wikstrom Economic and Planning Consultants do the redevelopment Blight Survey study of the College Park Area and/or a benefit analysis in the event of economic development. If Richard Chong & Associates or Wikstrom Economic & Planning Consultants are not able to do this project, then other consultants should be interviewed and considered.

Seconded by Jim Brass.

5 Ayes
0 Nays

10. Other business.

Keith Snarr mentioned that the Redevelopment Agency had received its tax increment reimbursement check from Salt Lake County. Payment has been sent to Murray School District in the amount of \$130,755 in accordance with the Agency's agreement with the School District.

Mayor Snarr commented that Dr. Hirase from the Murray School District toured the three potential redevelopment areas yesterday with him and Dr. Hirase has been brought up to date with the challenges faced within each of the three areas. He commented that he wished to keep the communication open with the Murray School District on these redevelopment endeavors.

Meeting adjourned.

Keith Snarr
Redevelopment Director